



**Utilities Kingston
Report to Council
Report Number 21-052**

To: Mayor and Members of Council
From: Jim Keech, President & CEO, Utilities Kingston
Resource Staff: Randy Murphy, Chief Financial Officer, Utilities Kingston
Date of Meeting: January 26, 2021
Subject: Approval of the 2021-2022 Operating Budgets and the 2021
Capital Budget Additions for the Municipal Utilities

Executive Summary:

This report provides a summary and recommendation for the two year 2021 and 2022 Wastewater, Water, Natural Gas and Appliance Rental Operating Budgets as well as the 2021 Capital Budget Additions for Wastewater and Water for which approval is recommended. The attached appendices provide details of the noted operating budgets and capital budget additions as well as five year operating budget estimates.

Recommendation:

1. **That** Council approve the 2021 and 2022 Municipal Utility Operating Budgets in the amounts noted below;

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WASTEWATER	2021	2022
Operating Budget	\$ 17,890,000	\$ 18,265,000
Debt Costs	\$ 5,082,000	\$ 5,952,000
Transfer to Facility Repair Fund – Debt 85 Lappan's Lane	\$ 476,000	\$ 476,000
Transfer to Capital Reserve Fund	<u>\$ 12,751,000</u>	<u>\$ 12,683,000</u>
Total Revenue	\$ 36,200,000	\$ 37,376,000

WATER	2021	2022
Operating Budget	\$ 13,998,000	\$ 14,328,000
Debt Costs	\$ 2,087,000	\$ 2,079,000
Transfer to Facility Repair Fund – Debt 85 Lappan's Lane	\$ 476,000	\$ 476,000
Transfer to Capital Reserve Fund	<u>\$ 14,551,000</u>	<u>\$ 15,243,000</u>
Total Revenue	\$ 31,112,000	\$ 32,127,000

GAS	2021	2022
Operating Budget	\$ 4,869,000	\$ 4,886,000
Commodity Purchase, Transportation & Storage	\$ 25,000,000	\$ 25,000,000
Transfer to Facility Repair Fund – Debt 85 Lappan's Lane	\$ 173,000	\$ 173,000
Transfer to Gas Capital Reserve Fund	\$ 3,533,000	\$ 4,287,000
Transfer to City Municipal Capital Reserve Fund	<u>\$ 1,350,000</u>	<u>\$ 2,000,000</u>
Total Revenue	\$ 34,925,000	\$ 36,347,000

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APPLIANCE RENTAL BUSINESS	2021	2022
Operating Budget	\$ 706,000	\$ 733,000
Transfer to Capital Reserve Fund	\$ 859,000	\$ 866,000
Transfer to Municipal Capital Reserve Fund	\$ 969,000	\$ 985,000
Transfer to City Environmental Reserve Fund	<u>\$ 546,000</u>	<u>\$ 557,000</u>
Total Revenue	\$ 3,080,000	\$ 3,141,000

That Council approve the 2021 Capital Budget Additions as follows:

WASTEWATER	\$9,908,000
WATER	\$4,721,650
TOTAL	\$14,629,650

and further,

That Council approve funding for the 2021 Capital Budget Additions as follows:

Wastewater Reserve Fund	\$2,708,000
DC Reserve Fund – Wastewater	\$7,200,000
Water Reserve Fund	\$800,000
DC Reserve Fund – Water	\$3,921,650
TOTAL	\$14,629,650

and further,

2. That the City's budget By-Laws include the municipal utility operating and capital budgets additions as approved.

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Authorizing Signatures:

ORIGINAL SIGNED BY PRESIDENT
& CEO, UTILITIES KINGSTON

**Jim Keech, President & CEO,
Utilities Kingston**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services	Not required
Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Brad Joyce, Commissioner, Corporate Services	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

Attached is a summary report for the recommended 2021 Capital Budget Additions for the Wastewater and Water utilities.

CAPITAL BUDGET ADDITIONS

In 2019 Council approved four-year (2019-2022) Capital Budgets for utility infrastructure work. As we have reached the halfway point of that budget approval and additional information for the capital projects noted below has become available, additional funding is requested in order to enable: Project Initiation or Project Completion.

Project Initiation:

Biosolids Environmental Assessment - \$500,000

A Master Plan for Enhanced Biosolids Management & Biogas Utilization was completed in 2020. The project was initially triggered by the planned upgrades to Cataraqui Bay Wastewater Treatment Plant, and Utilities Kingston's interest in identifying alternative strategies to manage biosolids in a way that would enhance biogas production. The preferred system selected in the Master Plan is to develop an integrated biosolids and source separated organics processing facility at a greenfield development site, with the opportunity site for consideration being within the property boundary of the "Knox Farm".

The budget amendment is required to continue completion of the balance of the Municipal Class Environmental Assessment (MCEA) that considers the preferred system that was selected as part of the Master Plan for Enhanced Biosolids Management & Biogas Utilization. The Master Plan already included the first two phases of the MCEA, and therefore, the next steps in the MCEA process will begin at Phase 3 "Alternative Design Concepts for the Preferred Solution". Since the preferred system entails the development of a stand-alone processing facility on City-owned land with new infrastructure of significant size along with co-digestion and biogas capture and cleaning components the project will proceed as a Schedule C Project under the MCEA process.

Project Completion:

1. Cataraqui Bay Wastewater Treatment Plant Upgrades - \$12,000,000

Utilities Kingston is seeking a capital budget addition to the Cataraqui Bay Wastewater Treatment Plant (CBWWTP) Upgrades Project in the amount of \$12,000,000 to finance new costs to the project resulting from the performance of the general contractor in the execution of construction contract. Cost recovery is the subject of a legal action that has been initiated by Utilities Kingston against the contractor.

Project work remaining to be completed by Utilities Kingston includes construction of Primary Clarifiers 1 & 2, Headworks Building Phase 2, Chlorine Contact Tanks, Gravity Thickeners,

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and Dechlorination facilities, and the completion of Headworks Phase 1, Primary Clarifiers 3 & 4, the Workshop Building, Chemical Building upgrades, new electrical and control wiring within the Thickening Building and Digester Complex, upgrades to the on-site pumping station and waste gas flare system, various site-wide upgrades, and plant-wide commissioning of new process automation. Through collaboration between construction and operations staff, subcontractors, suppliers and all Utilities Kingston employees, our goal is to complete the project by the end of 2021.

2. Portsmouth Trunk Watermain and Forcemain - \$ 9,600,000 Water and
\$ 1,300,000 Wastewater

This project involves the construction of a new sanitary forcemain connecting the Portsmouth Sewage Pumping Station (PSPS) and the CBWWTP. Currently the PSPS pumps sewage easterly toward our Ravensview Wastewater Treatment Facility and this redirection of flow westerly will provide:

- environmental benefits to waterfront by reducing both frequency and volume of combined sewer overflows
- provides additional wastewater capacity along the Harbour Front Trunk Sewer to support intensification within the old urban core areas of the City.

This project also involves the final component of the large diameter (1200mm) trunk watermain interconnection project that will interconnect the King St. Water Treatment Plant with the Pt. Pleasant Water Treatment Plant that was identified in our Water Master Plans.

In 2020 the entire project (water and wastewater) was tendered with four bids received. Three of the four bids were rejected due to non-compliance with tender requirements, although they were somewhat over budget. The fourth bid was compliant but was significantly over our available budget. Consequently, the tender was cancelled.

Utilities Kingston reevaluated the project, construction sequencing, risk and liability and cost estimates with our consulting engineer. As a result, the project has been split into two segments designed to limit/mitigate risk and liability inherent in the pricing for the bore component under the Little Cataraqui Creek and CN Rails spur line on Font Rd. This section requires specialized construction techniques to be utilized. The second phase represent more traditional infrastructure construction methods that should be reflected in the pricing received through the competitive tender process. Based on the previous pricing and further engineering estimates a budget amendment is required.

Given the nature and amount of the proposed budget additions, Utilities Kingston staff undertook a thorough review of all capital works, programs and projects and reviewed all unspent money, work in progress and carry forward funding to determine if existing funding could be reallocated to reduce the requirement for new funding.

The reallocation of these funds for the most part does not postpone or defer any major work. It does defer some minor local road sewer work that would be absorbed within the normal capital

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budget allocation for this type of work in future years. In other words, it would not require an enhanced level of funding to catch up. The changes do not create any risk or liability in managing the water and wastewater assets.

Utilizing the existing funding available reduces the required budget additions in the following way:

WASTEWATER	Funding from Rates	Funding from DC	Total Funding
Bio Soilds	\$ 500,000	NIL	\$ 500,000
Cataraqui Bay WWTP	\$ 4,800,000	\$ 7,200,000	\$ 12,000,000
Portsmouth Forcemain	\$1,300,000	NIL	\$ 1,300,000
Subtotal	\$ 6,600,000	\$ 7,200,000	\$ 13,800,000
Less: Previously Approved Funds	\$ 3,892,000	NIL	\$ 3,892,000
Net Capital Budget Addition	\$ 2,708,000	\$ 7,200,000	\$ 9,908,000

WATER	Funding from Rates	Funding from DC	Total Funding
Portsmouth Trunk Watermain	\$ 4,800,000	\$ 4,800,000	\$ 9,600,000
Less: Previously Approved Funds	\$ 4,000,000	\$ 878,350	\$ 4,878,350
Net Capital Budget Addition	\$ 800,000	\$ 3,921,650	\$ 4,721,650

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Attached are summary reports for the recommended 2021 and 2022 Operating Budgets and five-year operating budget estimates for each of the municipal utilities: Wastewater, Water, Natural Gas, and Appliance Rental Business managed by 1425445 Ontario Limited (operating as Utilities Kingston) on behalf of the Corporation of the City of Kingston.

2021 OPERATING

Operating – Gross	2020 Budget	2021 Budget
Wastewater	\$ 17,129,000	\$ 17,890,000
Water	14,701,000	13,998,000
Gas	4,895,000	4,869,000
Appliance Rentals	550,000	706,000
Total – City-owned Utilities	\$ 37,274,000	\$ 37,463,000

2022 OPERATING

Operating – Gross	2021 Budget	2022 Budget
Wastewater	\$ 17,890,000	\$ 18,265,000
Water	13,998,000	14,328,000
Gas	4,869,000	4,886,000
Appliance Rentals	706,000	733,000
Total – City-owned Utilities	\$ 37,463,000	\$ 38,212,000

The 2021 gross operating expenses for the four municipally owned utility businesses are budgeted to increase 0.50% or \$189,000 over 2020. The 2022 gross operating expenses are budgeted to increase 2.00% or \$749,000 over 2021. In light of the global pandemic related to COVID-19, the budget process aimed to minimize the 2021 budget increase where possible. The increase in 2022 is mainly a result of expected general inflationary pressures in line with the Bank of Canada's inflation target rate of 2%.

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Wastewater and Water Utilities

The proposed 2021 operating budget for the wastewater and water utilities is an increase of approximately \$762,000 or 4.5% and a decrease of \$703,000 or -4.8% respectively. The net impact is an overall increase of \$59,000 or 0.2%. The increase in the wastewater utility above inflation is mainly due to the expected operating expense increases at the Wastewater Treatment Plants and Pumping Stations including an increase to the municipal property tax as a result of the reassessment of the upgrades to the Cataraqui Bay Wastewater Treatment Plant. In addition, there was a reallocation of staffing costs between the water and wastewater utilities resulting in an increase in wastewater staffing costs and a reduction in water staffing costs.

The proposed 2022 operating budget for the wastewater and water utilities is an increase of approximately \$375,000 or 2.1% and \$330,000 or 2.4% respectively. The increase in the water and wastewater utilities above inflation continues to be driven by expected operating expense increases to chemical supplies, contracted services and utilities, as a result of recent upgrades to the Water Treatment Plants and the Wastewater Treatment Plants.

Natural Gas Distribution Business

The natural gas distribution business operating budget is projected to decrease approximately \$26,000 or -0.5% in 2021 and projected to increase slightly by \$17,000 or 0.4% in 2022. The overall reduction in expenditures within this business is a result of a target to minimize budget increases where possible considering the COVID-19 global pandemic. Net operating revenues for the natural gas distribution business, after contribution to the gas reserve fund, amounts to a \$1.35 million contribution to the City's municipal capital reserve fund for 2021. The decrease of \$650,000 in 2021 is attributed to the reduced consumption trend experienced in 2020 continuing into 2021. The expected contribution to the City's municipal capital reserve fund returns to \$2 million in 2022, the amount prior to the pandemic.

Appliance Rental Business

The proposed operating budget for the appliance rental business is an increase of approximately \$156,000 or 28.4% in 2021 and an increase of approximately \$27,000 or 3.8% in 2022. This increase is a result of an analysis of the appliance rental business expenditures and a better allocation of costs between utilities.

Net operating revenues for the appliances rental business after contribution to the appliance rental reserve fund, is increasing \$155,000 to a total of \$1,515,000 in 2021 with \$969,000 allocated to the City's Municipal Capital Reserve Fund and \$546,000 to the City's Environmental Reserve Fund. In 2022, contributions increase by \$27,000 to \$1,542,000 with \$985,000 allocated to the City's Municipal Capital Reserve Fund and \$557,000 to the City's Environmental Reserve Fund.

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LOOKING FORWARD

The water and wastewater utilities continue to be closely monitored and regulated by both upper levels of government, changes in regulations at any time can result in additional operating and capital expenses not currently foreseen. For long term financial planning purposes, water and wastewater operating expense have projected operating expense increases post 2022 modelled at inflation of 2.0% plus 0.5% for potential additional regulatory expenditures that may be required. Natural gas and the appliance rental business have future operating expense increases projected at 2.0% inflation.

We are continually capturing additional information from our system monitoring equipment, our supervisory and control and data gathering systems, CCTV camera work and from our operating crews that will assist us in planning for future capital improvements. Work has begun on the next multi-year capital plan and budget expected for the 2023-2026 period.

Future user rate increases for the period 2023-2032 have been projected to average 2.5% for wastewater and 2.0% for water as these utilities continue to move toward stronger financial stability to sustain operations and the required capital reinvestment for long term sustainability.

Note

In the charts and graphs that follow, the data prior to 2020 is from audited financial statements.

For 2020, we show the approved 2020 operating budgets, and the approved 2020 capital budgets including carryover.

For 2021 and 2022, we show the recommended operating budget values and the capital budgets additions which have been proposed for 2021-2022 for the four municipally owned utilities.

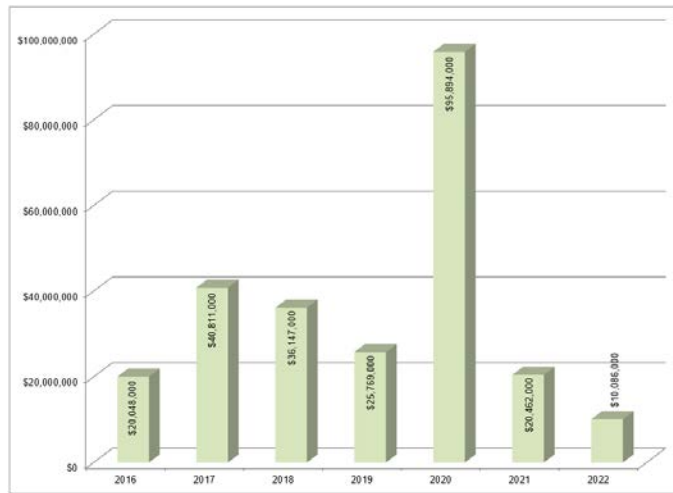
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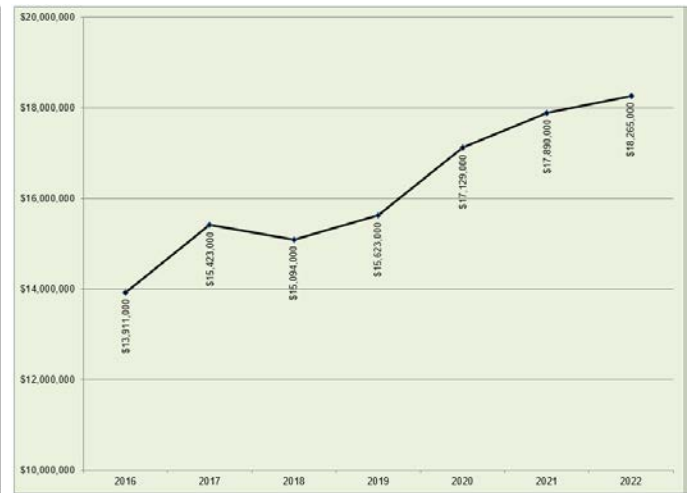
WASTEWATER UTILITY

Years	Capital Expenditures	Operating Expenses	Revenues
2016	\$20,048,000	\$13,911,000	\$29,880,000
2017	\$40,811,000	\$15,423,000	\$30,628,000
2018	\$36,147,000	\$15,094,000	\$32,547,000
2019	\$25,769,000	\$15,623,000	\$33,885,000
2020	\$95,894,000	\$17,129,000	\$34,070,000
2021	\$20,462,000	\$17,890,000	\$36,200,000
2022	\$10,086,000	\$18,265,000	\$37,376,000

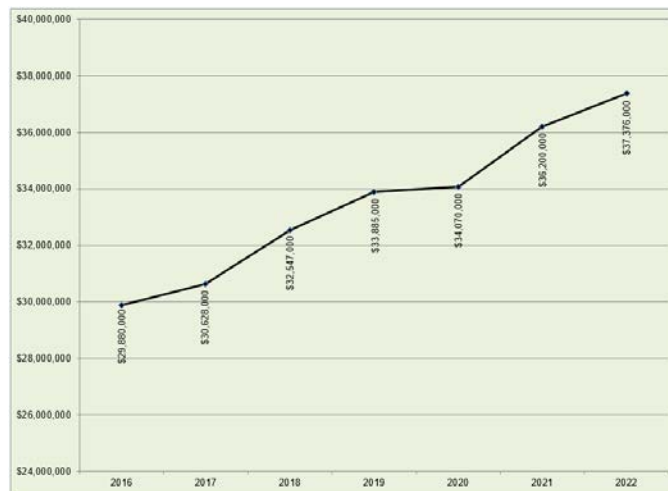
Wastewater Capital Expenditures



Wastewater Operating Expenses



Total Wastewater Revenues



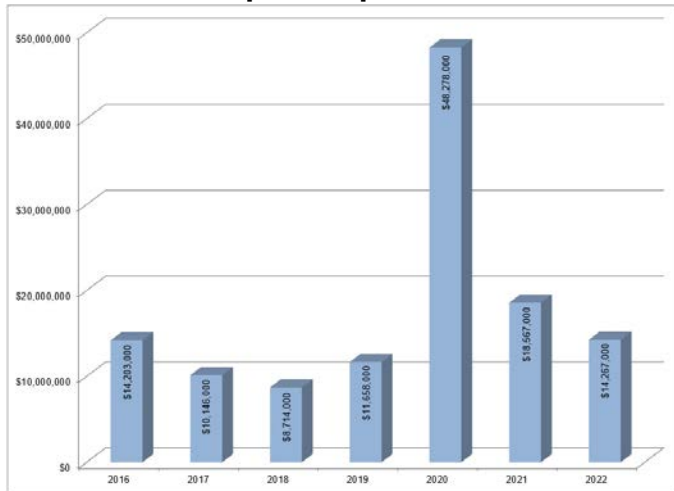
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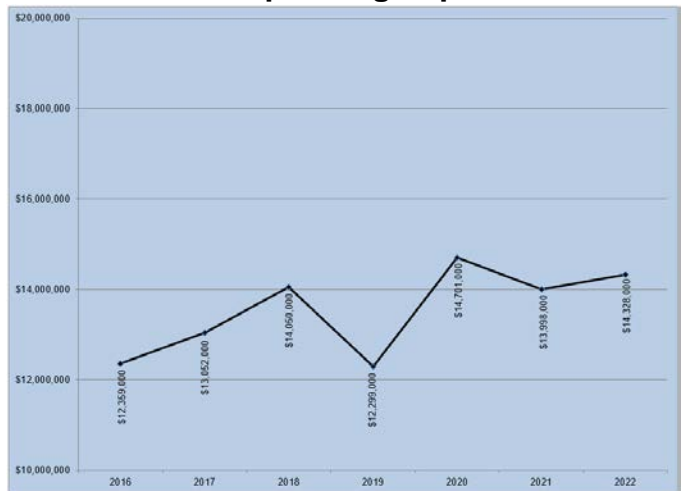
WATER UTILITY

_Years	Capital Expenditures	Operating Expenses	Revenues
2016	\$14,203,000	\$12,359,000	\$26,284,000
2017	\$10,146,000	\$13,052,000	\$26,338,000
2018	\$ 8,714,000	\$14,050,000	\$28,059,000
2019	\$11,658,000	\$12,299,000	\$29,464,000
2020	\$48,278,000	\$14,701,000	\$29,584,000
2021	\$18,567,000	\$13,998,000	\$31,112,000
2022	\$14,267,000	\$14,328,000	\$32,127,000

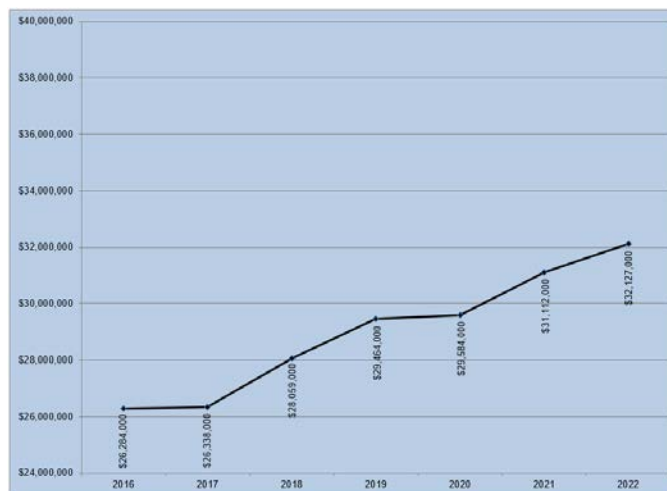
Water Capital Expenditures



Water Operating Expenses



Total Water Revenues



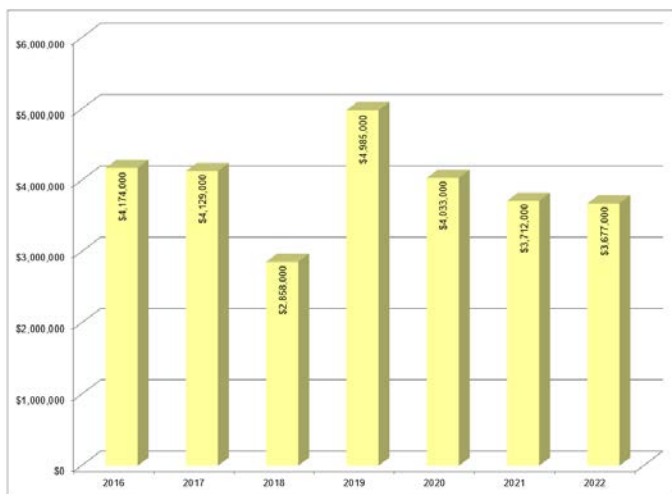
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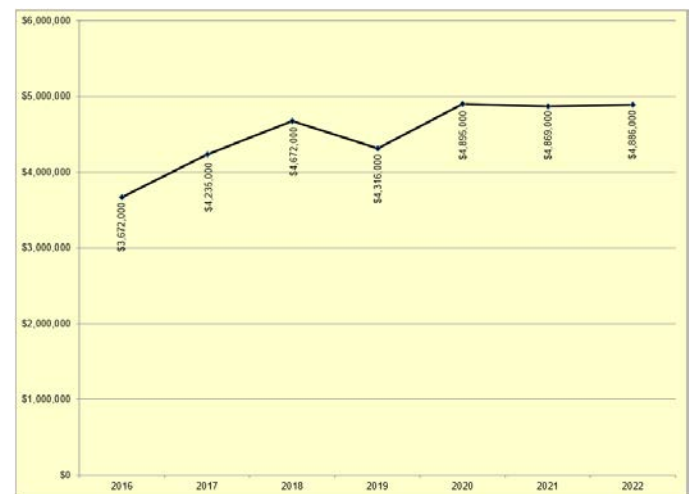
GAS UTILITY

Years	Capital Expenditures	Operating Expenses	Return to the City	Revenues
2016	\$4,174,000	\$3,672,000	\$2,913,000	\$10,220,000
2017	\$4,129,000	\$4,235,000	\$2,583,000	\$10,132,000
2018	\$2,858,000	\$4,672,000	\$3,123,000	\$11,230,000
2019	\$4,985,000	\$4,316,000	\$3,112,000	\$11,031,000
2020	\$4,033,000	\$4,895,000	\$2,486,000	\$10,597,000
2021	\$3,712,000	\$4,869,000	\$1,350,000	\$9,925,000
2022	\$3,677,000	\$4,886,000	\$2,000,000	\$11,347,000

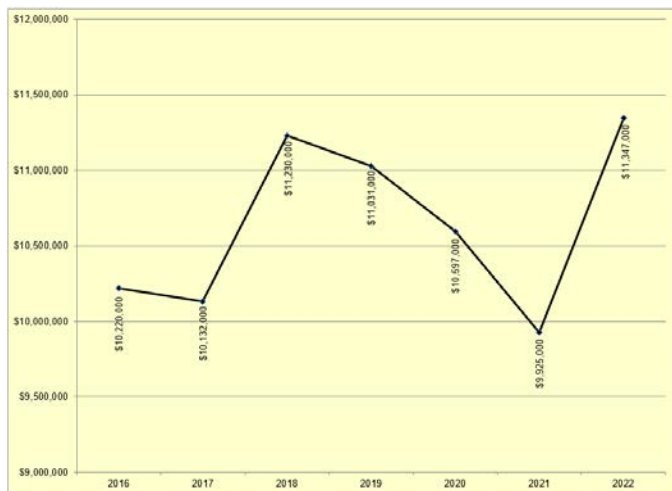
Gas Capital Expenditures



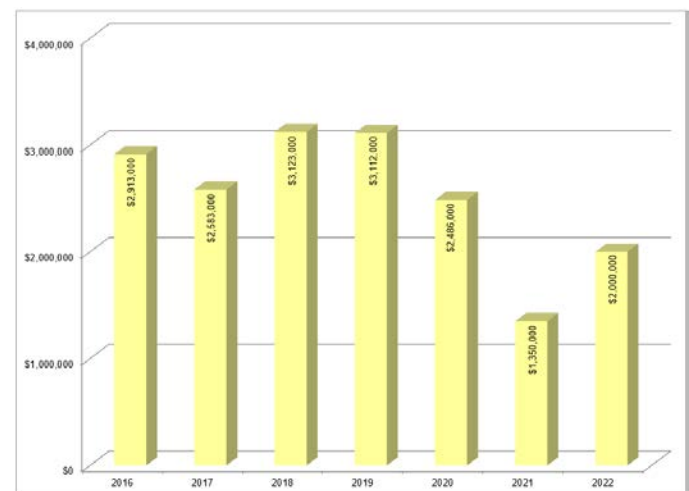
Gas Operating Expenses



Total Gas Revenues



Gas Return to the City



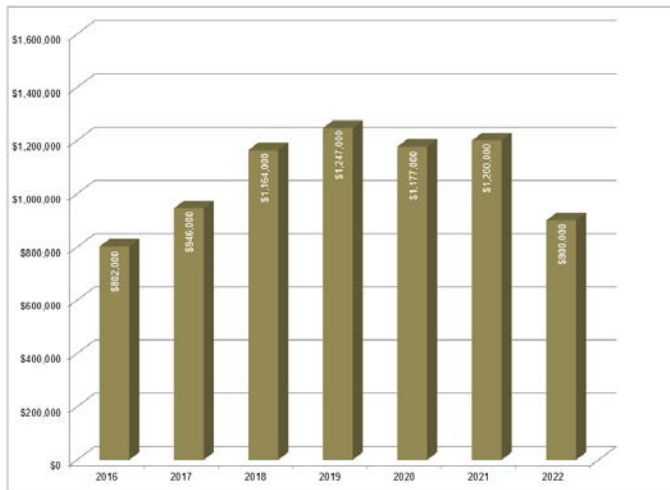
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APPLIANCE RENTAL BUSINESS

Years	Capital Expenditures	Operating Expenses	Return to the City	Revenues	Operating Income
2016	\$802,000	\$507,000	\$1,289,000	\$2,550,000	\$2,043,000
2017	\$946,000	\$480,000	\$1,088,000	\$2,573,000	\$2,093,000
2018	\$1,164,000	\$658,000	\$1,163,000	\$2,741,000	\$2,083,000
2019	\$1,247,000	\$719,000	\$1,360,000	\$2,929,000	\$2,210,000
2020	\$1,177,000	\$550,000	\$1,517,000	\$2,889,000	\$2,340,000
2021	\$1,200,000	\$706,000	\$1,515,000	\$3,080,000	\$2,374,000
2022	\$900,000	\$733,000	\$1,542,000	\$3,141,000	\$2,408,000

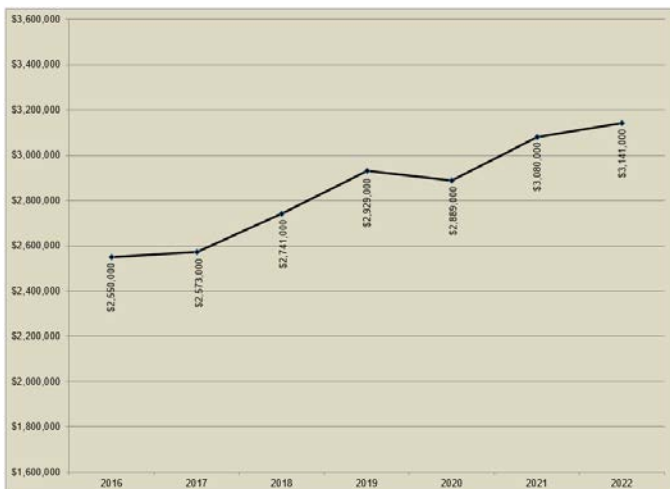
Appliance Rental Business Capital Expenditures



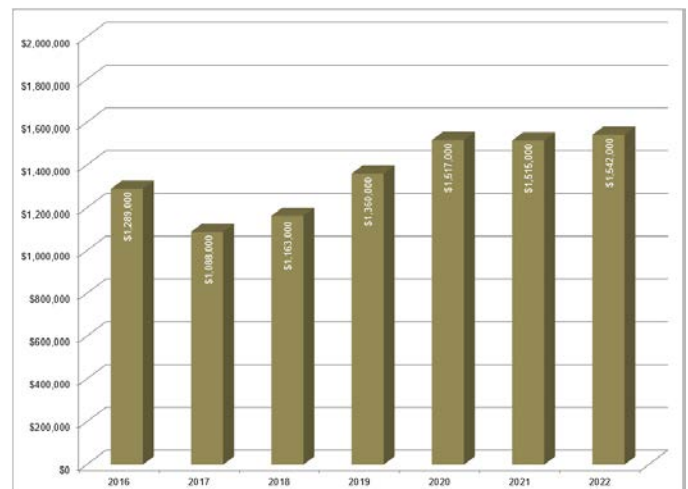
Appliance Rental Business Operating Expenses



Appliance Rental Business Revenues



Appliance Rental Business Return to the City



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Existing Policy/By-Law:

Not applicable.

Notice Provisions:

Not applicable.

Accessibility Considerations:

Not applicable.

Financial Considerations:

Since amalgamation, Utilities Kingston has worked to refine a fifteen-year planning process and asset management principles for these municipal utilities (along with other assets that UK manages) and has adopted sufficient operating and maintenance practices to ensure maximum life expectancy from the assets. A very important portion of this has been in regards to managing the financing for this work and maintaining the proper balance between user rates, impost fees (for new development), debt, and working to obtain grant funding from upper levels of government.

Contacts:

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Jim Miller, Chief Operating Officer, Utilities Kingston, 613-546-1181 x2475
Kevin McCauley, Chief Customer and Technology Officer, Utilities Kingston, 613-546-1181 x2247
Craig Brooks, Director, Electric and Natural Gas, Utilities Kingston, 613-546-1181 x2319
Heather Roberts, Director, Water and Wastewater, Utilities Kingston, 613-546-1181 x2400
Laura Deak, Manager of Finance, Utilities Kingston, 613-546-1181 x2465

Other City of Kingston Staff Consulted:

Desirée Kennedy, Chief Financial Officer & City Treasurer
Lana Foulds, Director, Financial Services, City of Kingston

Exhibits Attached:

Exhibit A – Wastewater Utility Budget Summary
Exhibit B – Water Utility Budget Summary
Exhibit C – Natural Gas Distribution Business Budget Summary
Exhibit D – Appliance Rental Business Budget Summary



Wastewater Utility Budget Summary

(Rounded to Nearest Thousand)

	2021	2022
Total Revenue	\$ 36,200,000	\$ 37,376,000
Operating Expenses	\$ 17,890,000	\$ 18,265,000
Net Operating to Capital Reserve Funds	\$ 18,310,000	\$ 19,111,000
Less: Contribution to Facility Repair Fund	\$ 476,000	\$ 476,000
Less: Debt Costs	\$ 5,082,000	\$ 5,952,000
Net Operating to Capital Reserve Fund	\$ 12,751,000	\$ 12,683,000
January 1, 2021 Rate Increase (previously approved)	3.5%	
January 1, 2022 Rate Increase (previously approved)		3.3%
2021 Capital Budget Addition	\$ 9,908,000	

**Corporation of the City of Kingston
Wastewater Utility
2021-2022 Budget
Revenue and Expenditure**

	Actuals as of 30-Sep-20	Budget 2020	Budget 2021	Budget 2022
Revenue				
Central				
Sewer rates	25,932,424	33,520,297	35,650,000	36,826,450
Other Revenue	554,942	550,000	550,000	550,000
Total Revenue	<u>26,487,366</u>	<u>34,070,297</u>	<u>36,200,000</u>	<u>37,376,450</u>
Operating expense				
Administration	2,152,563	4,116,825	4,177,318	4,250,222
Billing	547,661	797,117	762,199	780,279
Pumping & Treatment	6,230,852	8,938,962	9,678,287	9,829,463
Community Relations	478,085	1,245,665	1,193,286	1,244,759
Collection	1,053,478	1,339,302	1,351,069	1,387,700
Customer Service	519,154	691,534	728,270	772,591
Operating Expenses (Contracted Services)	<u>10,981,792</u>	<u>17,129,405</u>	<u>17,890,430</u>	<u>18,265,013</u>
Contribution to Reserve Funds	<u>15,505,574</u>	<u>16,940,892</u>	<u>18,309,570</u>	<u>19,111,437</u>
Debt Charges	3,912,221	5,216,294	5,082,188	5,951,740
Contribution to Facilities Repair Fund	357,323	476,431	476,431	476,431
Net increase to Wastewater Reserve Fund	8,436,125	11,248,167	12,750,951	12,683,266
Net Surplus	<u>2,799,905</u>	-	-	-

**Corporation of the City of Kingston
Wastewater Utility
Operating Budget Forecast**

(Rounded to Nearest Thousand)

	Budget 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenue					
Rates	35,650,000	36,826,000	37,931,000	39,069,000	40,241,000
Other	550,000	550,000	550,000	550,000	550,000
Rates and Other	36,200,000	37,376,000	38,481,000	39,619,000	40,791,000
Operating Expense					
Contracted Services	17,890,000	18,265,000	18,722,000	19,190,000	19,669,000
Net operating to Reserve Funds	18,310,000	19,111,000	19,759,000	20,429,000	21,122,000
Debt Repayment	5,082,000	5,952,000	5,918,000	5,886,000	5,553,000
Contribution to Facilities Repair Fund	476,000	476,000	476,000	476,000	476,000
Net increase to Capital Reserve Fund	12,751,000	12,683,000	13,365,000	14,067,000	15,093,000
	18,310,000	19,111,000	19,759,000	20,429,000	21,122,000

**City of Kingston
Wastewater Reserve Fund
Year End Projections 2020-2034**

Municipal Utility	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance - January 1	49,632,884	27,372,938	8,864,153	10,330,910	10,758,941	11,570,483	11,883,931	11,935,816	2,089,407	2,742,461	5,772,987	10,944,772	17,150,898	23,541,819	29,650,386	38,000,556
Contributions:																
General Fund	16,464,461	17,833,139	18,635,006	19,283,174	19,953,071	20,645,404	21,360,906	21,893,090	22,226,154	22,563,297	22,904,535	23,249,883	23,599,357	23,952,969	24,310,731	24,672,652
Previous Years Surplus from General	1,793,073	2,228,159														
	18,257,534	20,061,298	18,635,006	19,283,174	19,953,071	20,645,404	21,360,906	21,893,090	22,226,154	22,563,297	22,904,535	23,249,883	23,599,357	23,952,969	24,310,731	24,672,652
Interest proceeds from Grant																
Interest	1,138,017	535,524	283,671	311,673	329,991	346,617	352,016	207,269	71,407	125,844	247,060	415,207	601,370	786,092	999,768	1,253,486
Drawdowns:																
Capital Expenditures	19,975,930	9,933,668	10,086,441	13,224,250	13,194,295	15,020,977	15,890,897	28,899,855	13,952,852	13,951,889	12,368,967	12,175,086	12,777,248	14,080,453	12,061,702	12,603,996
Capital Expenditures - additional request in 2021		2,708,000														
Cash Flow Adjustments	(24,681,940)	(3,732,361)	(2,763,760)	(3,197,602)	(3,278,379)	(3,659,871)	(3,910,154)	(6,562,002)	(4,102,971)	(3,610,972)	(3,195,989)	(3,074,215)	(3,170,293)	(3,450,149)	(3,102,370)	(3,141,273)
Prior Year Approvals	41,728,919	24,681,940	3,732,361	2,763,760	3,197,602	3,278,379	3,659,871	3,910,154	6,562,002	4,102,971	3,610,972	3,195,989	3,074,215	3,170,293	3,450,149	3,102,370
- Principal and Interest - Issued Debt	4,213,001	4,178,809	4,144,983	4,111,157	4,078,999	3,745,916	3,712,659	3,375,967	2,894,348	2,860,506	2,825,899	2,792,144	2,758,675	2,459,937	2,180,886	2,173,001
- Principal and Interest - Approved - Not Yet Issued	0	903,379	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757	1,806,757
- Principal and Interest - Planned - Not Yet Issued	-	-	-	-	-	-	-	-	-	0	0	0	0	0	0	0
DC Post Period benefits funded by wastewater	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203	346,203
DC Post Period benefits interest	73,382	85,970	98,935	112,289	126,044	140,211	154,904	169,834	185,315	201,261	217,000	232,611	249,000	266,125	283,875	302,350
	41,655,496	39,105,607	17,451,920	19,166,815	19,471,521	20,678,573	21,661,038	31,946,769	21,644,507	19,658,615	17,979,810	17,458,964	17,809,806	18,630,494	16,960,328	17,108,055
Closing Balance - December 31	27,372,938	8,864,153	10,330,910	10,758,941	11,570,483	11,883,931	11,935,816	2,089,407	2,742,461	5,772,987	10,944,772	17,150,898	23,541,819	29,650,386	38,000,556	46,181,639
PAYG	19,975,930	9,933,668	10,086,441	13,224,250	13,194,295	15,020,977	15,890,897	28,899,855	13,952,852	13,951,889	12,368,967	12,175,086	12,777,248	14,080,453	12,061,702	12,603,996
Grants																
New Debt - Issued	-	-	-	-	-	-	-	-	-	0	0	0	0	0	0	0
Impost Reserve fund	668,000	620,000		2,017,000	3,405,000	3,460,000	1,800,000	24,000,000	2,400,000	2,100,000	3,000,000	830,000				
New Debt - Planned, Not Yet Issued																
Total Capital Budget	20,643,930	10,553,668	10,086,441	15,241,250	16,599,295	18,480,977	17,690,897	52,899,855	16,352,852	16,051,889	15,368,967	13,005,086	12,777,248	14,080,453	12,061,702	12,603,996
Inflation	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Rate Increases	3.6%	3.5%	3.3%	3.0%	3.0%	3.0%	3.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate Revenue	33,520,297	35,650,000	36,826,450	37,931,244	39,069,181	40,241,256	41,448,494	42,484,706	43,334,400	44,201,088	45,085,110	45,986,812	46,906,549	47,844,680	48,801,573	49,777,605
Other Revenue	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Operating Expenses	17,129,405	17,890,430	18,265,013	18,721,638	19,189,679	19,669,421	20,161,157	20,665,186	21,181,815	21,711,361	22,254,145	22,810,498	23,380,761	23,965,280	24,564,412	25,178,522
Contribution to Facilities Repair fund	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431
TOTAL	16,464,461	17,833,139	18,635,006	19,283,174	19,953,071	20,645,404	21,360,906	21,893,090	22,226,154	22,563,297	22,904,535	23,249,883	23,599,357	23,952,969	24,310,731	24,672,652



Water Utility Budget Summary

(Rounded to Nearest Thousand)

	2021	2022
Total Revenue	\$ 31,112,000	\$ 32,127,000
Operating Expenses	\$ 13,998,000	\$ 14,328,000
Operating Surplus to Capital Reserve Fund	\$ 17,114,000	\$ 17,799,000
Less: Contribution to Facility Repair Fund	476,000	476,000
Less: Debts Costs	\$ 2,087,000	\$ 2,079,000
Net Operating to Capital Reserve Fund	\$ 14,551,000	\$ 15,243,000
January 1, 2021 Rate Increase (previously approved)	3.5%	
January 1, 2022 Rate Increase (previously approved)		3.3%
2021 Capital Budget Addition	\$ 4,721,650	

**Corporation of the City of Kingston
Water Utility
2021-2022 Budget
Revenue and Expenditure**

	Actuals as of 30-Sep-20	Budget 2020	Budget 2021	Budget 2022
Revenue				
Water rates	22,349,764	29,220,192	30,748,000	31,762,684
Other Revenue	665,790	364,000	364,000	364,000
Total Revenue	23,015,554	29,584,192	31,112,000	32,126,684
Operating expense				
Administration	2,082,800	3,500,149	3,617,729	3,674,705
Billing	547,516	785,667	762,199	780,279
Pumping & Treatment	3,032,636	5,112,704	4,610,237	4,708,327
Community Relations	4,790	211,545	169,602	194,011
Distribution	2,671,708	4,399,310	4,109,488	4,198,085
Customer Service	535,023	691,534	728,270	772,591
Operating Expenses (Contracted Services)	8,874,473	14,700,909	13,997,525	14,327,997
Occupancy Costs	-	-	-	-
Master Plans	-	-	-	-
Total Operating Costs	8,874,473	14,700,909	13,997,525	14,327,997
Contribution to Capital Reserve Funds	14,141,081	14,883,283	17,114,475	17,798,687
Debt Charges	1,571,345	2,095,126	2,087,092	2,079,264
Contribution to Facilities Repair Fund	357,323	476,431	476,431	476,431
Net increase to Water Reserve Fund	9,233,795	12,311,726	14,550,952	15,242,992
Net Surplus	2,978,618	-	-	-

**Corporation of the City of Kingston
Water Utility
Operating Budget Forecast**

(Rounded to Nearest Thousand)

	Budget 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenue					
Rates	30,748,000	31,763,000	32,398,000	33,046,000	33,707,000
Other	364,000	364,000	364,000	364,000	364,000
Rates and Other	31,112,000	32,127,000	32,762,000	33,410,000	34,071,000
Operating Expense					
Contracted Services	13,998,000	14,328,000	14,686,000	15,053,000	15,430,000
Net operating to Capital Reserve Fund	17,114,000	17,799,000	18,076,000	18,357,000	18,641,000
Debt Repayment	2,087,000	2,079,000	2,071,000	2,064,000	2,050,000
Contribution to Facilities Repair Fund	476,000	476,000	476,000	476,000	476,000
Net increase to Water Reserve Fund	14,551,000	15,244,000	15,529,000	15,817,000	16,115,000
	17,114,000	17,799,000	18,076,000	18,357,000	18,641,000

**City of Kingston
Water Reserve Fund
Year End Projections 2020-2034**

Municipal Utility	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance - January 1	40,742,592	25,824,614	29,045,950	31,283,552	25,301,700	28,496,784	33,690,694	38,901,832	41,080,899	46,981,911	53,960,675	62,306,874	72,621,134	17,860,567	18,010,433	25,762,614
Contributions:																
General Fund	14,406,853	16,638,344	17,322,256	17,599,310	17,880,114	18,164,698	18,453,092	18,745,325	19,041,426	19,341,423	19,645,343	19,953,212	20,265,056	19,830,901	20,132,020	20,436,717
Previous Years Surplus from General	2,836,949	2,836,949														
	17,243,802	19,475,293	17,322,256	17,599,310	17,880,114	18,164,698	18,453,092	18,745,325	19,041,426	19,341,423	19,645,343	19,953,212	20,265,056	19,830,901	20,132,020	20,436,717
Interest	983,752	810,895	891,569	836,235	795,051	919,027	1,072,796	1,182,011	1,301,421	1,491,762	1,718,240	1,994,010	1,337,168	530,113	646,892	778,621
Drawdowns:																
Capital Expenditures	19,476,930	12,285,668	13,667,441	14,394,250	13,361,295	12,453,177	13,015,547	16,842,055	12,767,052	12,469,289	11,596,367	10,142,486	82,209,648	12,637,053	10,789,302	19,396,596
Capital Expenditures - additional request in 2021		800,000														
Temporary cash flow adjustment				7,900,000	-	(675,000)	(675,000)	(675,000)	(675,000)	(675,000)	(675,000)	(675,000)	(675,000)	(675,000)	(575,000)	(575,000)
Cash Flow Adjustments	(3,438,621)	(1,652,429)	(1,531,987)	(1,592,624)	(1,495,392)	(1,394,857)	(1,441,040)	(1,828,310)	(1,459,536)	(1,392,883)	(1,298,925)	(1,144,141)	(8,335,379)	(2,097,243)	(1,288,655)	(2,068,525)
Prior Year Approvals	14,909,282	3,438,621	1,652,429	1,531,987	1,592,624	1,495,392	1,394,857	1,441,040	1,828,310	1,459,536	1,392,883	1,298,925	1,144,141	8,335,379	2,097,243	1,288,655
- Principal and Interest - Issued Debt	2,095,126	2,087,092	2,079,264	2,071,436	2,063,835	2,049,912	2,042,121	1,973,034	1,968,267	1,963,329	1,958,408	1,953,542	1,948,731	1,926,810	1,906,190	1,902,985
- Principal and Interest - Approved - Not Yet Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Principal and interest - planned - not yet issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term Interest					(158,000)	(158,000)	(144,500)	(131,000)	(117,500)	(104,000)	(90,500)	(77,000)	(63,500)	(50,000)	(36,500)	(25,000)
DC Post Period interest funded by water	102,815	105,899	109,076	112,349	115,719	119,191	122,766	126,449	130,243	134,150	134,150	134,150	134,150	134,150	134,150	134,150
	33,145,532	17,064,852	15,976,223	24,417,398	15,480,081	13,889,815	14,314,750	17,748,269	14,441,835	13,854,422	13,017,383	11,632,962	76,362,791	20,211,149	13,026,730	20,053,861
Closing Balance - December 31	25,824,614	29,045,950	31,283,552	25,301,700	28,496,784	33,690,694	38,901,832	41,080,899	46,981,911	53,960,675	62,306,874	72,621,134	17,860,567	18,010,433	25,762,614	26,924,092
Capital Budget Approval Year																
Funded By Water Capital Reserve Fund	19,476,930	12,285,668	13,667,441	14,394,250	13,361,295	12,453,177	13,015,547	16,842,055	12,767,052	12,469,289	11,596,367	10,142,486	82,209,648	12,637,053	10,789,302	19,396,596
Funded by Impost Reserve Fund	7,000,000	1,560,000	600,000	-	-	480,000	-	3,840,000	-	-	-	-	-	1,400,000	-	-
Approved, Not Yet Issued																
New Debt - Planned, Not Yet Issued																
Total Capital Resources Available - Timing of Expend	26,476,930	13,845,668	14,267,441	14,394,250	13,361,295	12,933,177	13,015,547	20,682,055	12,767,052	12,469,289	11,596,367	10,142,486	82,209,648	14,037,053	10,789,302	19,396,596
Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Rate Increases	3.6%	3.5%	3.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate Revenue	29,220,192	30,748,000	31,762,684	32,397,938	33,045,896	33,706,814	34,380,951	35,068,570	35,769,941	36,485,340	37,215,047	37,959,348	38,718,535	39,492,905	40,282,763	41,088,419
Other Revenue	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000	364,000
Operating Expenses	14,700,909	13,997,225	14,327,997	14,686,197	15,053,352	15,429,686	15,815,428	16,210,813	16,616,084	17,031,486	17,457,273	17,893,705	18,341,048	19,549,574	20,038,313	20,539,271
Contribution to Facilities Repair fund	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431	476,431
TOTAL	14,406,853	16,638,344	17,322,256	17,599,310	17,880,114	18,164,698	18,453,092	18,745,325	19,041,426	19,341,423	19,645,343	19,953,212	20,265,056	19,830,901	20,132,020	20,436,717



Natural Gas Distribution Business Budget Summary

(Rounded to Nearest Thousand)

	2021	2022
Total Revenue	\$ 34,925,000	\$ 36,347,000
Less Operating Expenses	\$ 29,869,000	\$ 29,886,000
Net Earnings	\$ 5,056,000	\$ 6,460,000
Less: Contribution to Facility Repair Fund	\$ 173,000	\$ 173,000
Less: Contribution to Municipal Capital Reserve Fund	\$ 1,350,000	\$ 2,000,000
Net Contribution to Gas Capital Reserve Fund	\$ 3,533,000	\$ 4,287,000

**Corporation of the City of Kingston
Natural Gas Distribution Business
2021-2022 Budget
Revenue and Expenditures**

	Actuals as of 30-Sep-20	Budget 2020	Budget 2021	Budget 2022
Energy & transportation				
Sales	8,439,672	25,000,000	25,000,000	25,000,000
Cost of sales	8,439,672	25,000,000	25,000,000	25,000,000
	-	-	-	-
Local distribution revenue	7,696,089	10,474,279	9,800,000	11,221,663
Other operating revenues				
Account set up charge	31,751	29,000	32,744	29,000
Late payment charges	53,378	33,000	23,046	23,046
Miscellaneous	105,963	61,000	69,210	72,954
Other Revenue	191,093	123,000	125,000	125,000
Total Revenue	7,887,181	10,597,279	9,925,000	11,346,663
Operating expenditures (Contracted Services)				
Administration	1,406,771	2,125,970	2,312,314	2,296,415
Billing	268,303	358,840	368,858	377,751
Distribution	1,142,071	1,924,756	1,722,100	1,713,947
Customer service	306,583	485,015	465,841	498,195
Operating Expenditures (Contracted Services)	3,123,729	4,894,582	4,869,113	4,886,307
Net Earnings	4,763,452	5,702,697	5,055,887	6,460,356
Contributions to Facilities Repair Reserve Fund	129,968	173,290	173,290	173,290
Contributions to Municipal Capital Reserve Fund	1,500,000	2,000,000	1,350,000	2,000,000
Net increase to Capital Reserve Fund	2,647,055	3,529,407	3,532,597	4,287,066
Net Surplus	486,430	-	-	-

**Corporation of the City of Kingston
Natural Gas Distribution Business
Operating Budget Forecast**

(Rounded to Nearest Thousand)

	Budget 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenue					
Rates	9,800,000	11,222,000	11,446,000	11,675,000	11,909,000
Other	125,000	125,000	125,000	125,000	125,000
Rates and Other	9,925,000	11,347,000	11,571,000	11,800,000	12,034,000
Operating Expense					
Contracted Services	4,869,000	4,886,000	4,984,000	5,084,000	5,185,000
Net operating revenue	5,056,000	6,460,000	6,587,000	6,716,000	6,848,000
Contribution to City of Kingston	1,350,000	2,000,000	2,020,000	2,040,000	2,061,000
Contribution to Gas Capital Reserve Fund	3,706,000	4,460,000	4,567,000	4,676,000	4,787,000
Contribution to Facilities Repair Fund	173,000	173,000	173,000	173,000	173,000
Net Contribution to Gas Capital Reserve Fund	3,533,000	4,287,000	4,394,000	4,503,000	4,614,000

**City of Kingston
Gas Reserve Fund
Year End Projections 2020-2034**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Municipal Utility																
Opening Balance - January 1	3,989,141	5,965,663	4,208,604	4,774,730	4,975,550	5,066,478	4,936,433	5,208,738	5,184,796	5,576,271	6,526,074	7,133,687	7,533,782	7,994,680	8,343,384	9,137,883
Contributions:																
General Fund	3,529,407	3,532,597	4,287,065	4,393,772	4,502,813	4,614,237	4,728,094	4,844,434	5,000,168	5,159,228	5,321,681	5,487,597	5,657,048	5,830,107	6,006,847	6,187,345
Interest	147,115	150,359	132,759	144,093	148,404	147,826	149,929	153,599	159,031	178,852	201,868	216,761	229,485	241,449	258,344	270,319
Drawdowns:																
Capital Expenditures	3,744,930	3,711,668	3,677,441	4,390,750	4,585,095	4,928,977	4,573,897	5,068,225	4,617,252	3,619,289	3,956,367	4,281,686	4,298,848	4,541,053	4,153,302	5,185,796
Cash Flow Adjustments	(2,332,792)	(604,446)	(428,189)	(481,894)	(506,699)	(543,568)	(511,746)	(557,997)	(517,525)	(413,681)	(437,005)	(471,869)	(477,072)	(501,812)	(465,511)	(565,131)
Prior Year Approvals	287,862	2,332,792	604,446	428,189	481,894	506,699	543,568	511,746	557,997	517,525	413,681	437,005	471,869	477,072	501,812	465,511
Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Principal and Interest - Issued Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Principal and interest - approved - not yet issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Principal and interest - planned - not yet issued	-	-	-	-	-	-	-	-	-	596,395	969,142	1,043,691	1,118,240	1,192,790	1,267,339	1,341,888
Short term Interest	-	-	-	-	-	-	-	-	110,000	68,750	13,750	13,750	13,750	13,750	13,750	13,750
	1,700,000	5,440,014	3,853,698	4,337,045	4,560,290	4,892,108	4,605,718	5,021,974	4,767,724	4,388,277	4,915,935	5,304,263	5,425,636	5,722,852	5,470,692	6,441,815
Closing Balance - December 31	5,965,663	4,208,604	4,774,730	4,975,550	5,066,478	4,936,433	5,208,738	5,184,796	5,576,271	6,526,074	7,133,687	7,533,782	7,994,680	8,343,384	9,137,883	9,153,733
PAYG	3,744,930	3,711,668	3,677,441	4,390,750	4,585,095	4,928,977	4,573,897	5,068,225	4,617,252	3,619,289	3,956,367	4,281,686	4,298,848	4,541,053	4,153,302	5,185,796
New Debt - Issued																
New Debt - Approved, not yet issued																
New Debt - Planned, Not Yet Issued								8,000,000	5,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Total Capital Budget	3,744,930	3,711,668	3,677,441	4,390,750	4,585,095	4,928,977	4,573,897	13,068,225	9,617,252	4,619,289	4,956,367	5,281,686	5,298,848	5,541,053	5,153,302	5,185,796
Inflation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate Increases	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate Revenue	10,400,000	9,800,000	11,221,663	11,446,096	11,675,018	11,908,518	12,146,688	12,426,482	12,711,871	13,002,969	13,299,888	13,602,745	13,911,660	14,226,753	14,548,148	14,875,971
Other Revenue	191,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Operating Expenses	4,415,000	4,869,113	4,886,307	4,984,033	5,083,714	5,185,388	5,289,096	5,431,738	5,540,372	5,651,180	5,764,203	5,879,487	5,997,077	6,117,019	6,239,359	6,364,146
Contribution to City General Fund - Dividend	2,473,303	1,350,000	2,000,000	2,020,000	2,040,200	2,060,602	2,081,208	2,102,020	2,123,040	2,144,271	2,165,713	2,187,371	2,209,244	2,231,337	2,253,650	2,276,187
Contribution to Facilities Repair fund	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,290	173,291	173,292
TOTAL	3,529,407	3,532,597	4,287,065	4,393,772	4,502,813	4,614,237	4,728,094	4,844,434	5,000,168	5,159,228	5,321,681	5,487,597	5,657,048	5,830,107	6,006,847	6,187,345



Appliance Rental Business Budget Summary

(Rounded to Nearest Thousand)

	2021	2022
Total Revenue	\$ 3,080,000	\$ 3,141,000
Less Operating Expenses	\$ 706,000	\$ 733,000
Net Earnings	\$ 2,374,000	\$ 2,408,000
Transfer to Environmental Reserve Fund	\$ 546,000	\$ 557,000
Transfer to Municipal Capital Reserve Fund	\$ 969,000	\$ 985,000
Net Transfer to Appliance Rental Reserve Fund	\$ 859,000	\$ 866,000

**Corporation of the City of Kingston
Appliance Rental Business
2021-2022 Budget
Revenue and Expenditures**

	Actuals as of 30-Sep-20	Budget 2020	Budget 2021	Budget 2022
Revenue				
Rental Revenue	2,339,746	2,889,301	3,060,000	3,121,200
Other Revenue	-	-	20,000	20,000
Total Revenue	2,339,746	2,889,301	3,080,000	3,141,200
Operating expenditures				
Operating Expenditures (Contraited Services)	424,113	549,549	706,303	733,260
Net Operating Surplus	1,915,633	2,339,752	2,373,697	2,407,940
Contributions to Environment Reserve Fund	409,500	544,000	546,000	556,800
Contributions to Municipal Capital Reserve Fund	734,814	816,000	969,000	985,200
Contributions to Appliance Rental Reserve Fund	614,250	979,752	858,697	865,940
Net Surplus	157,069	-	-	-

**Corporation of the City of Kingston
Appliance Rental Business
Operating Budget Forecast**

(Rounded to Nearest Thousand)

	Budget 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenue					
Rates	3,060,000	3,121,000	3,184,000	3,247,000	3,312,000
Other	20,000	20,000	20,000	20,000	20,000
Rates and Other	<u>3,080,000</u>	<u>3,141,000</u>	<u>3,204,000</u>	<u>3,267,000</u>	<u>3,332,000</u>
Operating Expense					
Contracted Services	<u>706,000</u>	<u>733,000</u>	<u>748,000</u>	<u>763,000</u>	<u>778,000</u>
Net Operating Revenue	<u>2,374,000</u>	<u>2,408,000</u>	<u>2,456,000</u>	<u>2,504,000</u>	<u>2,554,000</u>
Contribution to Environmental Reserve Fund	546,000	557,000	568,000	600,000	600,000
Contribution to Municipal Capital Reserve Fund	969,000	985,000	1,002,000	1,050,000	1,050,000
Contribution to Appliance Rental Reserve Fund	859,000	866,000	886,000	854,000	904,000
	<u>2,374,000</u>	<u>2,408,000</u>	<u>2,456,000</u>	<u>2,504,000</u>	<u>2,554,000</u>

**City of Kingston
Appliance Rentals Reserve Fund
Year End Projections 2020-2034**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Municipal Utility																
Opening Balance - January 1	1,286,783	1,165,985	866,269	857,686	848,601	787,188	754,066	751,093	759,902	781,895	767,790	768,343	785,110	794,337	822,332	845,465
Contributions:																
General Fund	2,465,109	2,373,697	2,407,940	2,455,699	2,504,413	2,554,101	2,604,783	2,656,479	2,709,208	2,762,992	2,817,852	2,873,809	2,930,886	2,989,103	3,048,485	3,109,055
Other																
Previous Years Surplus from General	(84,789)															
	<u>2,380,320</u>	<u>2,373,697</u>	<u>2,407,940</u>	<u>2,455,699</u>	<u>2,504,413</u>	<u>2,554,101</u>	<u>2,604,783</u>	<u>2,656,479</u>	<u>2,709,208</u>	<u>2,762,992</u>	<u>2,817,852</u>	<u>2,873,809</u>	<u>2,930,886</u>	<u>2,989,103</u>	<u>3,048,485</u>	<u>3,109,055</u>
Interest	36,248	30,033	25,477	25,216	24,174	22,777	22,244	22,330	22,785	22,902	22,701	22,957	23,342	23,892	24,647	25,275
Drawdowns:																
Capital Expenditures	1,200,000	1,200,000	900,000	920,000	940,000	960,000	980,000	1,000,000	1,020,000	1,040,000	1,060,000	1,080,000	1,100,000	1,120,000	1,140,000	1,160,000
Closed Projects																
Prior Year Approvals	(22,634)	(11,554)														
Transfers to Environment Reserve	544,000	546,000	556,800	568,000	600,000	600,000	600,000	620,000	640,000	660,000	680,000	700,000	720,000	740,000	760,000	780,000
- Principal and interest - issued debt																
- Principal and interest - approved - not yet issued																
- Principal and interest - planned - not yet issued	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MCRF	816,000	969,000	985,200	1,002,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,100,000	1,100,000	1,100,000	1,125,000	1,125,000	1,150,000	1,175,000
	<u>2,537,366</u>	<u>2,703,446</u>	<u>2,442,000</u>	<u>2,490,000</u>	<u>2,590,000</u>	<u>2,610,000</u>	<u>2,630,000</u>	<u>2,670,000</u>	<u>2,710,000</u>	<u>2,800,000</u>	<u>2,840,000</u>	<u>2,880,000</u>	<u>2,945,000</u>	<u>2,985,000</u>	<u>3,050,000</u>	<u>3,115,000</u>
Closing Balance - December 31	1,165,985	866,269	857,686	848,601	787,188	754,066	751,093	759,902	781,895	767,790	768,343	785,110	794,337	822,332	845,465	864,794
PAYG	1,200,000	1,200,000	900,000	920,000	940,000	960,000	980,000	1,000,000	1,020,000	1,040,000	1,060,000	1,080,000	1,100,000	1,120,000	1,140,000	1,160,000
New Debt - Planned, Not Yet Issued																
Total Capital Resources Available	<u>1,200,000</u>	<u>1,200,000</u>	<u>900,000</u>	<u>920,000</u>	<u>940,000</u>	<u>960,000</u>	<u>980,000</u>	<u>1,000,000</u>	<u>1,020,000</u>	<u>1,040,000</u>	<u>1,060,000</u>	<u>1,080,000</u>	<u>1,100,000</u>	<u>1,120,000</u>	<u>1,140,000</u>	<u>1,160,000</u>
Inflation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate Increases	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rate Revenue	3,000,000	3,060,000	3,121,200	3,183,624	3,247,296	3,312,242	3,378,487	3,446,057	3,514,978	3,585,278	3,656,983	3,730,123	3,804,725	3,880,820	3,958,436	4,037,605
Other Revenue	30,593	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Operating Expenses	565,484	706,303	733,260	747,925	762,884	778,141	793,704	809,578	825,770	842,285	859,131	876,314	893,840	911,717	929,951	948,550
Contribution to City General Fund																
TOTAL	2,465,109	2,373,697	2,407,940	2,455,699	2,504,413	2,554,101	2,604,783	2,656,479	2,709,208	2,762,992	2,817,852	2,873,809	2,930,886	2,989,103	3,048,485	3,109,055